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Honorable William J. Casey Director Central Intelligence Agency Washington, DC 20505

Dear Mr. Casey:

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This is in reference to your letter of July 23, 1981, and our subsequent discussions concerning the delegation of certain authorities to the Central Intelligence Agency (CIA).

With reference to the renovation of the ________in McLean, Virginia, I am advised that organizational changes within your agency may force a complete revision to the existing plans. Accordingly, I will defer any decision until further discussions can be held.

In addition, pursuant to Sections 4 and 15 of the Public Buildings Act

The Director may redelegate this authority to any officer, official, or employee of the Central Intelligence Agency. The authority granted herein shall be exercised in accordance with the requirements and limitations of the above-cited Act and other applicable statutes and the requirements of the Public Buildings Act of 1959 (73 Stat. 479), as amended.

With regard to the proposal that leasing authority be extended beyond the current 5,000 square foot threshold, I regret that I cannot take such action. A delegation of that magnitude would place CIA in frequent direct competition with GSA in local real estate markets, I believe, to the detriment of the overall best interest of the Government. Further,

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to carry out its responsibilities to efficiently and economically meet the housing demands of Federal agencies and to insure maximum utilization of federally controlled facilities, GSA must have the ability to assign and reassign space. To permit agencies to acquire their own space on a large scale limits our authority to carry out these responsibilities under the law and hinders our ability to effectively service all agencies.

Regarding direct agency contract for alterations in leased buildings, I believe that many difficulties and conflicts with lessors would arise, severely restricting our ability to administer and enforce lease contracts. It is preferable that individual projects be evaluated, and if unique or unusual circumstances exist, consideration may be given to a delegation of authority. Additionally, I believe that our mutual interests will best be served, and our responsibilities most effectively discharged if GSA continues to maintain and operate the headquarters facility.

Our National Capital Region staff will be available to assist your staff in the transfer of operational responsibility for ______ In that regard, please have designated members of your staff contact Mr. John T. Myers, Assistant Regional Administrator, Public Buildings Service, General Services Administration, 7th and D Streets, S.W., Washington, D.C. 20407, telephone 472-1891.

If you have any further questions, please do not hesitate to contact me.

Sincerely,

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My staff will meet with yours six mouths with yours six mouths from now to assess the quality of timeliness of Sprvice in all areas of Sprvice and support. I upon suggest we meet upon completion of their assessment to review the situation.

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